

Town of Lincoln

Budget Board Meeting

March 8, 2012

Present:

**Linda Noble Domenic Ricci Carl Brunetti Mike Babbitt Maria
Marcello
Claudette Lussier William DiBiasio Richard Foster Paul
DiDomenico Bob Turner**

Absent;

Hagop Jawharjian

Call to Order

The meeting began 7:30 pm with the Pledge of Allegiance.

Minutes

The minutes of March 7th were distributed for review.

William DiBiasio made a motion, seconded by Claudette Lussier, to accept the minutes.

The minutes were approved by unanimous vote.

Correspondence

There was correspondence from the Budget Board to the Town Administrator regarding questions about the recommended budget.

Public Comment

There was no public comment or questions at the time.

Follow-Up Re: Town Administrator's Proposed 2012-2013 Budget

The Town Administrator T. Joseph Almond was present to discuss the questions of the Budget Board and provide answers as follows:

1) What is the structure of the trust? Is there a deductible?

The Administrator noted that some of the items paid by the trust were legal issues, some were liability and he noted that Workman's Compensation is a separate entity that was bid out at a savings of about \$100,000.

2) Justify the increases in the salary in the police line.

The salaries in the police line are the same increase of 2% as the rest of the budget, which is based upon a tentative agreement.

The Administrator noted that there are no proposed salary increases proposed in the municipal budget that exceed 2%.

3) What playground is the \$16,000 in capital slated for?

The playground improvements would be for the Quinnsville playground, and the basketball court is a separate project.

The project would not be a total replacement of the playground.

4) Does the \$105,000 in fixed charges including other employee costs?

It was noted that the Fixed Charges does include non-union employees.

5) What are the actual salaries of the department heads?

The actual expenditures of salaries reflect a 2% increase.

There was an adjustment to the Public Works Director to reflect the status as Director from Acting Director.

The Finance Director's salary was also adjusted to bring it in line with the salary survey.

In response to a question about whether employees filling a vacant position enter at the rate of the person who left, the Administrator noted that the town has used temporarily acting positions at the employees previous rate, and then once it is made permanent they follow the salary schedule.

6) What information are the gas charge increases based on? Is the gas bought at a locked price? What is the total amount of gas and diesel fuel for the town?

The Town is under contract for gasoline, but it is not a locked rate.

It was noted that there are 2 parts to the contract, consisting of acquisition, which is not at a locked rate, and delivery, which can be a fixed rate.

The recommended budget consists of a recalculation of how many gallons would be required for the year at an estimate of \$4. per gallon.

It was noted that the fire stations use commercial gas, and not the town pumps, but they are still tax exempt by registering with the

commercial gas stations.

7) If a town employee uses his/her own car for town business, where does he/she get the gas?

Mainly the employees that would use their own vehicles would be inspectors, and it was noted that they do have a gas allowance because they do not use the town gas pumps but they do get reimbursed.

All Town vehicles, however, do use the town gas pumps.

8) Explain the \$10,000 increase in the labor/negotiation line in personnel

The Town is currently in for arbitration so the amount reflected is for items such as that.

It includes grievances for things like initially denied workman's comp and disputed police officer dismissals.

9) Why keep \$2,500 as a recruitment expense?

It was noted that this is for the Police Department only, and they don't test for new recruits every year or go through the hiring process every year.

This year, however, there were 2 retirements and 2 terminations, so they may have cause to go out and recruit.

10) Explain the decrease in the Town Meeting Expense

The Town Administrator will check what the actual expenses are but

there were previously some unanticipated expenses, and there may have been postcard mailings that should have come out of the Administrator's budget but came from the Town Clerk/Financial Town Meeting budget.

11) Justify the longevity payments for the non-classified personnel.

Longevity requirements are specified in the charter, and it was noted that every employee (except for the Town Administrator) that works over 32.5 hours a week is eligible for longevity.

12) In Dept 4150 for example, when making a change in director's salary, the total is \$394,648, why is the finance director's \$394,559 and FICA \$30,184?

It was noted that adjustments were made through FICA that came through the change in the longevity line.

13) Explain the bank fees in 4150.

It was noted that these fees would be for the town's checking account, and that the additional amount is for the diversification of the town's excess money since previously it was all in one bank.

14) In Dept. 4150 justify payroll processing.

The increase in payroll processing was for a change in contract for Paychex, the system being used.

The Town still requires a payroll clerk, but since a lot is now being done online through Paychex, the clerk is able to take on other tasks

as well.

It was not known which system the schools are currently using for their payroll.

15) Is the revaluation of \$400,000 an estimate?

It was noted that \$400,000 is an estimate, but that it is the top bid for a full revaluation.

There were large variations between bids, so once the Town Council ratifies which bid will be chosen, the Town will have a better idea of the true amount which will occur hopefully before the Financial Town Meeting.

Also, the Town Administrator discussed sending the revaluation out to bid again to see if the results would come back different.

16) In Dept. 4170, why is the tech support line going up to \$40,000 when it is not used?

It was noted that while historically, this funding hasn't been used, it has been recently.

The \$40,000 is the IT Director's estimate of what will be required, as there had been additional staff requested but denied with the understanding that outsourcing could be used.

17) In Dept. 4170 explain the differences in internet services.

It was noted that this line should be broken out to go to each area that is using it, so it just hasn't been distributed to the correct accounts yet.

18) Explain the auto maintenance increase?

The request is based upon the historical trend.

It was noted that previously there were more cars purchased which now require maintenance.

In the coming year, the request is to buy 2 marked cars, which suffices but purchasing fewer cars increases maintenance costs on the existing fleet.

Some maintenance is done in-house, depending on what actually needs to be done.

19) Please provide a fleet inventory for the entire town

The Town Administrator distributed a list of inventory for the Police Department, and noted that the Town is working on getting an inventory of all town vehicles.

In the Police Department, it was noted that the Detectives now have their own fleet of more compact cars and no longer use retired squad cars.

20) Explain the computer system increase?

The increase is for the purchase of a desktop computer, as well as for the system in squad cars which are connected to multiple entities throughout the state.

21) What is the schedule for buying police cars and also for buying replacement cars?

The current rate of purchase is 2 cars a year for patrol cars.

22) Explain the police detail fund.

A separate fund was created per the auditors' request.

The town pays for the detail salary as well as any benefits, and then charges them to the user of the services.

The town charges a flat rate for the details, with \$15 more per hour if a car is required.

Holidays are charged at 1 ½ times the detail rate.

It was noted that any retired officers on detail would be covered by the trust if something were to happen.

23) Explain the animal shelter expense

The amounts should be \$1,500 for gas and \$18,000 for expenses.

The shelter will use more part-time employees, and had determined that they don't need 2 full-time employees because the number of animals kept at shelter has decreased due to increased adoption and rescue leagues.

The shelter no longer has volunteers working there, so they have been using employees of the Public Works Department for cleaning and maintenance.

The Administrator noted that the objective would be to make Lincoln a regional shelter and have other communities share the facility.

24) 4210 explain the increase in local district compensation

This is for one-time expenses such as a new boiler put in at the

Lonsdale Fire Station, and also to pay rent as the Town does not own the building.

25) In the supplies and equipment line, why is more budgeted than needed?

The Rescue Department will be buying new stretchers and new monitoring equipment, which is not consistent every year because purchase of those items is based on need.

It was noted that the new billing system has greatly offset the costs of the Rescue Department.

26) Explain the program line in 4230

This program line is for the Senior Center only, as the Literacy Center is separate.

There are currently 1,500 people who attend the senior center, and they are trying to determine which programs are working out the best. Once they have set programming, the Town will be looking at revenues in respect to the programs.

The fee to attend the Senior Center was decided based upon what other communities are charging, and these revenues are shown under general revenues, so the Town will be looking at creating revenues in the actual budget for this.

The food supplied is always for a requested donation, and not mandatory payment.

There is no profit coming in from meals, as a grant that supplies meals has been outpaced by distribution, and while the meal supplier

has always taken what was collected as their fee, they have this year asked for additional funding.

27) In Dept. 4230 why the increase for the PT Assistant Director and Meal Site Coordinator?

The Part-Time Assistant Director is for Literacy Center, as the number of employees there has been.

The Meal Site Coordinator is for senior center meals, and the Town is looking at cutting back at the Manville Manor site and increase that funding back into the main Senior Center site.

28) Justify the heat exchange replacement when the town is looking a new heating system for the police station.

The new police station system is in the future plans, but the Town is dealing with a system that is failing now.

Therefore the replacement of the coil for the cooling system would be required to keep it functional until the new system goes forward.

29) Point of interest – putting the money for Chase Farm porch in a resolution

It was noted that the building isn't used for the public because it is historical and would need upgrades so it is currently used more for storage.

The Town will use a portion of impact fees collected for these upgrades.

Impact fees collected were established by Town Council ordinance

and are fees for building permits that are collected to offset the impact of the new structures on the infrastructure of the Town. The fees collected are applied to restricted revenues.

30) Explain the street lighting line – are these new, replacement, utility?

The increase requested is because the Town was budgeting below the cost of what was actually being charged as reflected by bills received by National Grid, which maintains all of the street lighting.

31) In Dept. 4400 why the increase in overtime?

The increase in overtime is due to cutting staffing back over the past several years, and it was determined that even though overtime was increased it was still a decrease in overall personnel costs when compared to hiring additional personnel.

32) In Dept. 4820, why keep the PD at \$5,000?

The Town Council requested, but did not use, Professional Development funding last year.

It was requested so that they could attend seminars and workshops, so the Budget Board will ask the Town Council about the status of that.

33) Justify the ordinance codification of \$2,500.

It was noted that codification should be done every year, and that it has been done in pieces electronically.

It is especially significant when any changes to the charter are made, so that updates to the records can be made.

34) In 4830, explain the \$42,456 in Settlement.

The budget for Settlements is never the same and cannot be predicted because it could be for accidents, injuries, tax issues, etc. The actual liability really cannot be budgeted accurately.

35) In Dept. 5300, is the Municipal Court Clerk hourly, monthly?

The Municipal Court Clerk has to be a town employee, therefore they are paid at an hourly overtime rate.

Also, if there's a police officer already present in the court they don't bring on extra security.

36) In Dept. 4700, will the \$105,431 be dispersed?

There were 2% raises put in a separate line that will be dispersed into the proper account and then the separate line will show a zero balance which will be done at the end of the year.

37) Why is unemployment kept at \$50,000?

It was noted that this number tends to vary and there is not much control over what it will end up being, as a municipalities don't carry unemployment insurance.

In response to a question, the Administrator noted that he is not aware of an laws regarding the buyout of sick leave time upon leaving.

38) In the OPEB line, justify the 2012-2013 contribution? Where does it stand? What is the town contribution/school contribution?

Last year the contribution was based on the amount that the levy allowed, which was \$400,000 for the Town and \$200,000 for the Schools.

This year the Administrator is proposing a contribution of \$300,000 over the working rate to fund the OPEB.

This represents a total of an additional \$1 million over what is being paid out.

The Administrator noted that the Town will not be able to continue this level of funding and sustain the current level of benefits, and the benefits will have to be looked at and adjusted eventually.

The Interlocal Trust and League of Cities and Towns will be establishing a trust for the pension system, and OPEB will be mandated by state law.

39) When will the actual #'s for the insurance/surety be available?

The premium rates have been requested but not received yet, this is expected and usually received before final budget is due for the Financial Town Meeting.

40) When will the Blue Cross #s be available?

This has also been requested but not received and is expected before the final budget for the Financial Town Meeting.

The Town is on a Blue Cross, Self-insured plan now, and based on

historical information the rate is expected to increase again.

Consultants are expecting an increase at a rate of 8%, but they normally provide the worst case scenario so the Town Administrator was comfortable with using that estimate.

The Town shares claims and risk with other communities, which gave a savings in the first year of \$400,000.

42) Justify the drop in road repairs to \$150,000.

The Town Administrator noted that if there were funds left in the restricted accounts, he could use some of that towards more road repairs, but that the \$150,000 was what he was comfortable with at the time.

43) Please submit a list of offline capital projects and their funding sources for the FY 2011 and the current year.

The Town Administrator noted that really the only project in 2010-11 was the completion of Manville Park and that was basically funded out of Fund 82 from various sources including Twin River. A portion also came from settlements, and all funding was approved by the Town Council.

In 2011-12 the projects that were done included Chet Nichols Field for \$106,352, fencing at Manville Park, work at Lime Acres including the tennis courts, and the Barney Pond dam, which all went through the Financial Town Meeting.

44) In Dept. 4950, explain the Sewer Division allocation principal/interest as negative amounts.

The sewer bonds were refinanced, but details about the Sewer Enterprise Fund will be provided by and questions should be asked of the Finance Director.

The audit will show what the operating overexpenditures versus audited encumbered figures were, and it was noted that the Budget Board had not yet received a copy of the Town Council approved audit.

In response to a question about the tax levy cap this year, it was noted that it is mandated by state law to be 4%.

The Budget Board again requested any school surplus laws and any information the Administrator may have regarding the use of school surplus.

The Town Administrator recommended scheduling a meeting with the Town Solicitor for discussion.

The Budget Board is requesting a total recap of the Barney Pond project including all previously spent funds, where the funding came from and how it was spent, and any proposed upcoming work.

The Town Administrator noted that there will be funds left after the engineering aspect is complete, but the Town will need to evaluate how much more will be needed to complete the project.

The Budget Board also requested a copy of the original \$5 million referendum/resolution and how that money was spent.

The Budget Board will schedule a meeting tentatively Wednesday, March 14th with the Finance Director about some of the more specific financial questions and information requests.

The Town Administrator adjourned from the meeting.

The Budget Board discussed Fire District Reimbursements, which are for gas.

There is no revenue line for these funds yet, so it goes to general revenue.

The Senior Center revenues also go into general revenue, but that will be looked at in the coming year so that they will have a separate revenue line.

The Budget Board discussed the budget to be read at public hearing, and that it should be the one originally requested by the Town Administrator, with any changes for the purpose of corrections to errors only.

The Budget Board discussed the basketball court and playground at Quinnville Park.

They would like more information about what the scope of the project is, and whether it includes any finish work that may be done in-house.

There was a question of whether municipal playgrounds are held to a different standard for ADA compliance and safety than schools.

In discussion of gas and fleet management, the Budget Board felt that the Town should be logging mileage daily for each vehicle if they are not already.

In discussion of the Chase Farm Porch project, it was noted that it shouldn't go in resolution because is just maintenance and not a capital project.

The Budget Board will meet with the schools about OPEB and how and to what extent they intend to fund it.

Currently the funding would go in the general fund until the state sets something up with a trust.

The Budget Board discussed the school surplus and will send another letter to the Solicitor requesting any information about the ability to spend it.

Also discussed the possibility of spending surplus on the requested media center project, and the project itself including how many rooms in the high school it would be working with.

Public Comment

There was no public comment or questions at the time.

Adjourn

William DiBiasio made a motion to adjourn, seconded by Domenic Ricci.

The meeting adjourned at 10:24 pm.